

**Testimony of
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before the
Committee on Small Business
United States House of Representatives**

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Madam Chairwoman, Ranking Member Graves, and Members of the Committee: Good afternoon. I appreciate the opportunity to appear before the Committee today to discuss the efforts of the Department of Commerce to educate businesses on how to minimize the negative economic impacts of the H1N1 influenza.

I commend the Committee's focus on this very important topic. We do not know the specific course that the H1N1 flu will follow over the next few months but we do know that there are actions that can be taken by all of us to minimize the impact. The Obama Administration has developed preparedness guidance and is working with State and local governments and the private sector to promote awareness of the steps that should be taken.

At the Commerce Department, our primary focus has been on ensuring that the U.S. business community is adequately prepared to handle the potential threats of an H1N1 pandemic. Secretary Locke participated in several outreach calls to CEOs in the retail, travel and tourism and technology sectors. The response to our outreach has been very positive. The CEOs on the conference calls asked good questions and expressed appreciation for the guidance and the communications toolkit. The Department will remain connected to the business community on this matter through an outreach plan that will provide regular opportunities to share information, promote preparedness, and monitor responses should H1N1 outbreaks occur this fall.

It is predicted that the arrival of the H1N1 virus, in conjunction with the regular season flu, will bring more illness. The more severe the flu outbreak, the greater the impact one would expect on the economy. We do not know precisely what these impacts will be, but it is likely that businesses will be confronted with greater absenteeism, as employees or their family members are ill-- which in turn will reduce productivity. In a more severe outbreak, concern about the flu can lead people to avoid public places. This can reduce consumer spending, and mean that some industries, such as travel and tourism, retail sales, and service oriented businesses will experience a greater economic hit than others.

Whatever the magnitude of the flu outbreak, there are steps that can – and should – be taken now by all businesses to mitigate the impact of the upcoming flu season on their business, and to better protect their workers and those workers' families. Small businesses will face special challenges as they may have fewer resources available to help cope with unexpected events. That is all the more reason for small businesses to prepare now for how they will handle the problems that may arise.

Last month, the Secretaries of Commerce, Health and Human Services, and Homeland Security announced new guidance for how businesses should plan for and respond to the upcoming flu season. This guidance, developed by the interagency community, is designed to help businesses prepare now for the impact that the seasonal flu and the H1N1 flu could have on their operations. I have included a copy of that guidance as an attachment to this testimony. The guidance document, formally named, “Guidance for Businesses and Employers to Plan and Respond to the 2009-2010 Influenza Season” can also be found on the government website dedicated to information about the flu – www.flu.gov. The website is an extraordinarily valuable resource for employers – and for all of us. The site will be updated regularly over the next few months as new information becomes available. I recommend frequent checks of this site by everyone concerned about the upcoming flu season.

One item on the website that should be of particular interest to employers is a packet of information called “A Communication Toolkit for Business and Employers.” The toolkit contains the CDC guidance for employers along with a wealth of other useful tools, including:

- Questions and answers about the CDC guidance.
- A fact sheet for employers – “Action Steps to Keep your Business and Employees Healthy.”
- A fact sheet for employees – “8 Ways You Can Keep Yourself Healthy”.
- Posters for workplace entrances to remind sick employees to go home.
- Template e-mails for businesses to send to employees.
- Template text messages to send to employees; and
- Links to additional communication and web resources for planning.

I would urge all businesses to check out this information.

Let me now briefly review some of the main points raised in the guidance.

The guidance recognizes that businesses must balance a variety of objectives when determining how best to decrease the spread of flu. These objectives include reducing transmission among staff, protecting workers who are at increased risk of influenza-related complications, maintaining business operations, and minimizing adverse effects on customers and other entities in their supply chains. It is important to note that the flu season could be very severe in some locations and much less severe elsewhere. For example, throughout what should be the summer lull, the states of Maine and Alaska had much higher incidents of flu than other parts of the country. Consequently businesses should base their strategies and response to flu outbreaks on local information about the status of influenza in their communities.

Planning Ahead

Let me emphasize that all businesses—including small businesses—should develop plans to respond to either the current level of severity or a more severe outbreak. And businesses should plan to be able to respond in a flexible way to varying levels of severity.

CDC recommends that, today, businesses should do the following to prepare for possible flu outbreaks in the months ahead:

Establish an influenza plan and involve employees in its development and review.

Understand the organization's normal seasonal absenteeism rates, so that the business can monitor personnel for any unusual increases in absenteeism.

Engage with local health authorities to confirm channels of communication.

Share best practices with other businesses.

Dealing with a Moderate Flu Outbreak

If a flu outbreak occurs of a severity similar to that which we saw in the spring and summer of 2009, CDC recommends that businesses adopt the following policies:

Sick workers should stay at home. Businesses should advise their employees to be alert to any signs of influenza-like illness before reporting to work each day, and stay at home if they are ill. Businesses should expect sick employees to be out for about 3 to 5 days.

Businesses should not require a doctor's note for workers who are ill with influenza-like illness as doctor's offices and medical facilities may be extremely busy.

Businesses should implement sick leave policies that are flexible and consistent with public health guidance that allow workers to stay home to care for sick family members or children.

Sick employees at work should be advised to go home. They should be separated from other workers and, when possible and if they can tolerate it, workers with influenza-like illness should be given a surgical mask to wear before they go home.

Businesses should inform employees who may have been exposed to colleagues with the flu, while maintaining confidentiality as required by the Americans with Disabilities Act (ADA).

Workers should be informed of the importance of covering coughs and sneezes with a tissue or one's sleeve, and to wash their hands often. Businesses should provide tissues, soap and water, and alcohol-based hand sanitizers in the workplace.

Commonly touched surfaces such as workstations, countertops, and doorknobs, should be cleaned frequently.

Employees should be encouraged to get vaccinated for seasonal flu, and for 2009 H1N1 when vaccines are available.

Workers who are at a higher risk of complications should be informed and encouraged to check with their health care advisor if they become ill.

Every business should be prepared for increased employee absences by cross-training personnel and being prepared to change business practices if needed to maintain critical operations.

Employees should be advised to avoid travel if they may be ill, and to take precautions if they must travel.

Preparations should be made for the possibility of school dismissal or temporary closure of child care programs, including allowing workers to stay home to care for children.

Dealing with a Severe Flu Outbreak

Unfortunately, it is possible that the flu outbreak in the coming season could be worse than what we experienced in early 2009. Businesses should follow updates on the course of the flu to be aware of changes in occurrence and severity in their local area. In the event of an outbreak of increased severity, CDC recommends that businesses adopt the following policies:

Consider active screening of employees who report to work by asking workers about symptoms consistent with influenza at the beginning of the workday or shift.

Consider the use of alternative work environments for employees at higher risk for complications of influenza, such as allowing these workers to telecommute or reassigning them to duties where they will have minimal contact with other employees.

Develop plans for operation should public health officials recommend increasing the physical distance between people in the workplace. This may require reviewing or developing policies for teleworking, where practical.

Consider canceling non-essential business travel, and prepare for school dismissal or closure of child care programs.

The coming influenza season is likely to prove challenging to businesses, and especially to small businesses as they can easily be affected by the absence of just a few key employees. That is why it is particularly important to heed the advice to plan now, and to be ready to respond in a flexible manner.

We cannot stop the flu season, but with adequate preparation and planning, we can minimize its impact on people, businesses and the economy.

I thank the committee for this opportunity, and I would be happy to answer your questions.